

## Newbury Pharmaceuticals AB

### Interim report September 2021 – May 2022

*“Besides sales uptake in both Norway and Sweden, we continue to invest in new license opportunities as well as ongoing regulatory filings of our portfolio which by now consist of 30 products planned for launch in the years ahead. All together, we are making strong progress and are well prepared for further growing the company.” - Lars Minor CEO*

#### Quarter 3, March 2022 – May 2022

- Net revenue was 644 (732) tkr.
- EBITDA was -3 100 (-2 079) tkr.
- Operating cash flow was -4 531 (-8 422) tkr.

#### Interim period, September 2021 – May 2022

- Net revenue was 946 (732) tkr.
- EBITDA was -10 035 (-3 191) tkr.
- Operating cash flow was -10 014 (-3 206) tkr.
- Cash position in the end of period was 38 715 (15 729) tkr.
- Licensed products in the end of period were 29.
- Products with marketing authorization in the end of the period were 4.

#### Significant events during the quarter

- Lenalidomide Newbury approved by the Swedish Health Authorities.
- Sunitinib Newbury approved by the Danish Health Authorities.
- Strengthening its portfolio with two new products, Ivermectin and Azelastine+Fluticasone.
- In May “Icatibant Newbury” was number one in Sweden and achieved market leadership across Scandinavia in volume market share.

#### Significant events after the end of the quarter

- Strengthening its portfolio with Teriparatide injection in pre-filled pen.
- “Icatibant Newbury” continued to win the Swedish market tender for June and July

SEK thousands	Q3 Mar22 - May22	Q3 Mar21 - May21	Period Sep21 - May22	Period Sep20 - May21	Full year Sep 20 - Aug 21
Net revenue	644	732	946	732	2 829
Operating result / EBIT	-3 367	-2 307	-10 772	-3 571	-5 621
Result before tax	-3 367	-2 329	-10 772	-3 589	-5 557
Cash flow from operating activities	-4 531	-8 422	-10 014	-3 206	-4 066
Cash at the end of the period	38 715	15 729	38 715	15 729	13 145

## A word from the CEO

This Quarter has been characterized by strong execution related to new in-licensing activities, new marketing authorizations obtained, and last but not least sales achieved in Sweden by winning the month of May for Icatibant Newbury. We are making strong progress and are well prepared for further growing the company.

### High market share achieved

Despite strong competition, we have been able to realize strong uptake of our first product on the market. Last Quarter we recorded sales in Norway and this month the product was launched in Sweden. In May we were awarded as the preferred product of the month in Sweden which made us market leader in Scandinavia in relation to number of patients using our product.

The same trend is expected in June and July where we also have been awarded number 1 position in Swedish pharmacies.

### Pipeline continues to grow

Two additional licensing deals were entered during this Quarter. We successfully enlarged the portfolio with the addition of Ivermectin 10mg/g Cream, also known by its brand name Soolantra®. Ivermectin Cream is a topical treatment indicated for the treatment of inflammatory lesions of rosacea in adult patients.

Additionally, we expanded the portfolio with the addition of Azelastine+Fluticasone, also known by its brand name Dymista®. Azelastine+Fluticasone is indicated for relief of symptoms of moderate to severe seasonal and perennial allergic rhinitis if monotherapy with either intranasal antihistamine or glucocorticoid is not considered sufficient.

The two new products are strengthening our existing portfolio. With these new additions, we will increase the number of launches in the coming years with two competitive treatments. But we continue to focus on strengthening our future pipeline by licensing another product after the closing of this Quarter. We recently announced the addition of Teriparatide pre-filled injection pen which is a synthetic follow-on version for the recombinant (biological) teriparatide (Forsteo®) indicated for treatment of osteoporosis and it has been developed by utilizing fast-developing synthetic technologies. The addition of this non-biological complex drug is a terrific supplement to the existing portfolio and our strategic focus on specialty medicine. In addition, we have secured a new strategic partnership which can be an advantage when sourcing future products.

### Executing the strategy road map

The results in this Quarter demonstrate the focus on scaling the company for future launches and identifying product opportunities as well as ongoing regulatory filings of our portfolio which by now consist of 30 products planned for launch in the years ahead. All together, we are making strong progress and are well prepared for further growing the company.

Lars Minor  
CEO



## ABOUT

Newbury is a fast-growing company with an in-licensed product portfolio of prescription drugs and a focus on specialty drugs and own brands. Founded in 2020, Newbury in-license proprietary product rights and strives to be an expert in the registration and commercialization of pharmaceuticals with focus on the Scandinavian markets. This gives the Company the opportunity to be a cost-effective organization where the employment of key people is combined with consultants for specialist roles.

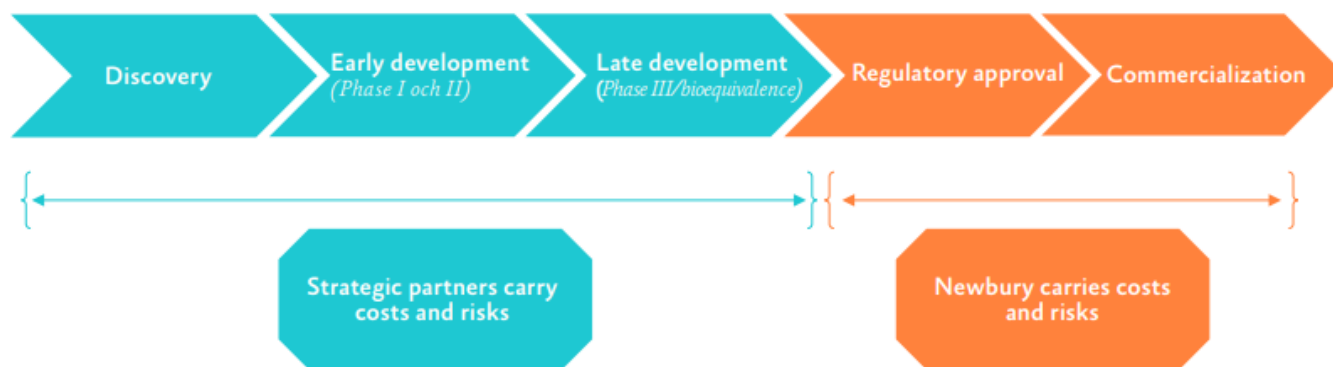
The Company does not have its own drug development but relies on partnerships to expand its drug portfolio. The Company's partnership therefore constitutes a strategic pillar in the business model of offering value-creating specialty drugs and own brands to both patients and other stakeholders.

## BUSINESS MODEL

Products are licensed through partnerships. In this way, traditional risks and investments in capital goods, research and development ("R&D") and production are minimized so that Newbury has a business model with a focus on registration and commercialization of pharmaceuticals. As a result of this business model, Newbury can offer its partners and customers a competitive advantage with the opportunity to be among the first in the market with a deep market knowledge. This model is the result of strong partnerships and a network of suppliers that offer flexibility, speed and scalability.

The business model enables Newbury to utilize the strengths of its partners together with the Company's deep knowledge of the Scandinavian market. After building a foundation in the Scandinavian market, the Company wants to strengthen its offering to other markets.

### Newbury's partnership model minimizes costs and risk



## PORTFOLIO

As of the date of this report, Newbury has built a strong portfolio with a total of 30 licensed products. Newbury's existing portfolio is focused on the Scandinavian market with an estimated current annual sales value of approximately EUR 800 million in the existing categories in which Newbury will launch its products. The portfolio consists of drugs from several different therapeutic areas with products, including oncology, rare diseases and neurology that represent more than 50 percent.

The existing product portfolio is expected to generate a steady stream of product launches in the coming years. In addition, Newbury has a strong focus on continuously expanding its portfolio of strategically important products.

### Overview of Newbury's product portfolio

Portfolio drugs	Original medicine / Originator	Registration process					
		Approvals	2022	2023	2024	2025	2026
<b>Oncology</b>							
Lenalidomide	Revlimid®/Celgene	Approved					
Sunitinib	Sutent®/Pfizer	Approved					
Pazopanib	Votrient®/Novartis						
Lapatinib	Tyverb®/Novartis						
Bosutinib	Bosulif®/Pfizer						
Lenvatinib	Lenvima®/Eisai						
Enzalutamide	Xtandi®/Astellas						
Nilotinib	Tasigna®/Novartis						
Pomalidomide	Imnovid®/Celgene						
Palbociclib	Ibrance®/Pfizer						
Nintedanib	Ofev®, Vargatef® /Boehringer Ingelheim						
<b>Rare diseases</b>							
Icatibant	Firazyr®/Shire	Approved					
Macitentan	Opsumit®/Janssen						
Pirfenidone	Esbriet®/Roche						
Teduglutide	Revestive®/Takeda						
<b>Neurology</b>							
Dimetylfumarat	Tecfidera®/Biogen						
Lorazepam ER	N/A / Adalvo						
Teriflunomide	Aubagio®/Sanofi						
Fampridine	Fampyra®/Biogen						
<b>Other therapy areas</b>							
Solifenacin + Tamsulosin	Urizia®/Astellas						
Liraglutide	Victoza®, Saxenda® /Novo Nordisk						
Desmopressin ODT	Minirin®/Ferring						
Gabapentin ER	Gralise®/Adalvo						
Rivaroxaban	Xarelto®/Bayer						
Ticagrelor	Brilique®/AstraZeneca	Approved					
Tofacitinib	Xeljanz®/Pfizer						
Varenicline	Champix®/Pfizer						
Teriparatide	Forsteo®/ Eli Lilly						
Azalastin/Fluticason	Dymista®/Meda						
Ivermectin	Soolantra® /Galderma Nordic AB						

## REVENUE AND PROFIT

Net revenue for the second quarter amounted to 644 (732) tkr and for the interim period 946 (732) tkr. During this Quarter, Newbury Pharmaceuticals launched its product "Icatibant Newbury" in Sweden and successfully captured almost all prescriptions during the month of May in Sweden.

Operating result amounted to -3 367 (-2 307) tkr for the quarter and for the interim period to -10 772 (-3 571) tkr. Result for the period after taxes amounted to -3 367 (-2 329) tkr for the quarter and for the interim period to -10 772 (-3 589) tkr.

## INVESTMENTS

Newbury Pharmaceuticals continues to invest in development of the portfolio. During the quarter 3 603 (75) tkr was invested. For the interim period investments amount to 23 556 (25 011) tkr.

## LIQUIDITY AND FINANCING

Operating cashflow amounted to -4 531 (-8 422) tkr for the quarter and for the interim period to -10 014 (-3 206) tkr. Cashflow from financing activities amounted to 2 655 (23 540) tkr for the quarter and for the interim period to 59 140 (43 946), were 50 000 tkr, pre capital raising costs, comes from capital raise in connection to ownership diversification for the IPO.

Newbury Pharmaceutical cash and cash equivalents amounted to 38 715 (15 729) tkr at the end of the period.

## EQUITY

Newbury Pharmaceuticals equity in the end of the period amounted to 72 709 (40 452) tkr and equity per share to 3,72 (2,58) kr. During the interim period Newbury raised 50 mkr in equity pre capital raising costs.

Share capital in the end of the period was 622 684 kr divided on 19 521 154 shares. each share has a quota value amounted to approx. 0,32 kr.

## SHARE-BASED INCENTIVE PROGRAMS

On May 20, 2021, the Company's Board of Directors, in accordance with the authorization from the Extraordinary General Meeting on November 18, 2020, decided to issue 1,000,000 warrants to the Company. The price for the warrants was SEK 0 per option. Each warrant entitles the holder to subscribe for one new share in the Company at a subscription price of SEK 5.5 during the period 21 June 2021 to 21 June 2031. Upon full utilization of the authorization, the Company's share capital will increase by SEK 31,898, which will result in a dilution effect of approximately 4.9 percent after the Offer. The purpose of the warrants is to be used as hedging for the Company's obligations under current (see below) and future employee benefit programs. Usual conversion terms apply to the warrants.

Newbury has signed three employee stock option agreement with a total of 440 000. The agreements contain an earnings clause which states that the number of options that the holder can use to subscribe for new shares in the Company depends on how long the employee has been employed. In other respects, the agreement contains customary terms for an employee stock option agreement. Vested employee options in the end of the period were 73 582 options. Cost for the employee stock option programs amounted to -24 (0) tkr for the quarter and for the interim period to 208 (0) tkr.

## PERSONNEL

The average number of employees under the quarter amounted to 4 (2). Number of employees in the end of the period was 4 (2). During the quarter, 0 persons was employed. Newbury are using a wide range of specialist consultant to support the ongoing operating activities.

## PARENT COMPANY

Newbury Pharmaceuticals AB is the parent company. Net revenue for the Parent Company during the second quarter amounted to 644 (0) tkr and for the interim period 946 (0) tkr. Operating result amounted to -2 970 (-2 083) tkr for the quarter and for the interim period to -9 471 (-3 074) tkr.

## TRANSACTIONS WITH RELATED PARTIES

No transactions took place between Newbury and related parties during the interim period.

## ACCOUNTING PRINCIPLES

Newbury Pharmaceuticals prepares its accounts in accordance with the Annual Accounts Act and the Accounting Boards general advice 2012:1(K3). Information on accounting principles in general is provided in the Financial Statement for 2020/2021.

## RISKS AND UNCERTAINTIES

Newbury Pharmaceuticals operations, financial position and earnings can be affected by a number of risks and uncertainties. These are described in Newbury Pharmaceuticals prospectus of 11 January 2022, pages 28-30, available on [newburypharma.com/investors/](http://newburypharma.com/investors/).

Newbury assesses that the current covid situation does not constitute a risk to the business.

The current situation in Ukraine has no direct impact on Newbury's operations

## AUDIT

This report has not been reviewed by Newbury Pharmaceuticals auditor.

**Lund, 6 July 2022**

*The Board of Directors and the CEO assure that the interim report provides a fair overview of the group's operations, position and results.*

**Lars Minor**  
*CEO*

**Karl Karlsson**  
*Chairman*

**Andreas Hedskog**

**Anil Okay**

**Johan Strömqvist**

## Income Statement - Group

SEK thousands	Q3 Mar22 - May22	Q3 Mar21 - May21	Period Sep21 - May22	Period Sep20 - May21	Full year Sep20 - Aug21
Net revenue	644	732	946	732	2 829
Other operating income	656	0	970	11	11
Cost of goods sold	-256	-636	-296	-636	-2 369
Other external expenses	-1 875	-1 081	-5 142	-1 632	-2 810
Personnel expenses	-1 830	-1 069	-5 131	-1 641	-2 645
Depreciation and amortization	-267	-228	-737	-380	-608
Other operating expenses	-439	-25	-1 382	-25	-29
<b>Operating result / EBIT</b>	<b>-3 367</b>	<b>-2 307</b>	<b>-10 772</b>	<b>-3 571</b>	<b>-5 621</b>
Financial net	0	-22	0	-18	64
<b>Result before tax</b>	<b>-3 367</b>	<b>-2 329</b>	<b>-10 772</b>	<b>-3 589</b>	<b>-5 557</b>
Tax	0		0	0	0
<b>Result for the period</b>	<b>-3 367</b>	<b>-2 329</b>	<b>-10 772</b>	<b>-3 589</b>	<b>-5 557</b>

(Attributable to the parent company's shareholders)

## Balance Sheet - Group

SEK thousands	31 May 2022	31 May 2021	31 Aug 2021
<b>Assets</b>			
<b>Fixed Assets</b>			
Intangible fixed assets	49 858	24 631	27 039
<b>Total Fixed Assets</b>	<b>49 858</b>	<b>24 631</b>	<b>27 039</b>
<b>Current Assets</b>			
Inventory	488	0	0
Other receivables	2 637	1 932	2 624
Cash and bank balances	38 715	15 729	13 145
<b>Total Current Assets</b>	<b>41 840</b>	<b>17 661</b>	<b>15 769</b>
<b>Total Assets</b>	<b>91 698</b>	<b>42 292</b>	<b>42 808</b>
<b>Equity and Liabilities</b>			
Equity	72 709	40 452	38 469
<b>Liabilities</b>			
Long-term Liabilities	12 227	0	0
Short-term Liabilities	6 762	1 840	4 339
<b>Total Liabilities</b>	<b>18 989</b>	<b>1 840</b>	<b>4 339</b>
<b>Total Equity and Liabilities</b>	<b>91 698</b>	<b>42 292</b>	<b>42 808</b>

## Cash Flow Analysis - Group

SEK thousands	Q3 Mar22 - May22	Q3 Mar21 - May21	Period Sep21 - May22	Period Sep20 - May21	Full year Sep20 - Aug21
Cash flow from operating activities before changes in working capital	-3 086	-2 006	-9 968	-3 114	-4 948
Cash flow from working capital	-1 445	-6 416	-46	-92	882
<b>Cash flow from operating activities</b>	<b>-4 531</b>	<b>-8 422</b>	<b>-10 014</b>	<b>-3 206</b>	<b>-4 066</b>
Cash flow from investing activities	-3 603	-75	-23 556	-25 011	-26 735
Cash flow from financing activities	2 655	23 540	59 140	43 946	43 946
<b>Cash flow for the period</b>	<b>-5 479</b>	<b>15 043</b>	<b>25 570</b>	<b>15 729</b>	<b>13 145</b>
Cash and cash equivalents opening balance	44 194	686	13 145	0	0
<b>Cash and cash equivalents closing balance</b>	<b>38 715</b>	<b>15 729</b>	<b>38 715</b>	<b>15 729</b>	<b>13 145</b>

## Changes In Equity - Group

SEK thousands	Q3 Mar22 - May22	Q3 Mar21 - May21	Period Sep21 - May22	Period Sep20 - May21	Full year Sep20 - Aug21
Opening balance	76 089	19 146	38 469	100	100
Issue (including issue costs)	0	23 640	44 945	43 946	43 946
Employee stock option program	-24	0	208	0	0
Translation differences	11	-5	-141	-5	-20
Result for the period	-3 367	-2 329	-10 772	-3 589	-5 557
<b>Closing balance</b>	<b>72 709</b>	<b>40 452</b>	<b>72 709</b>	<b>40 452</b>	<b>38 469</b>

## Key figures - Group

	Q3 Mar22 - May22	Q3 Mar21 - May21	Period Sep21 - May22	Period Sep20 - May21	Full year Sep20 - Aug21
Net revenue (tkr)	644	732	946	732	2 829
EBITDA (tkr)	-3 100	-2 079	-10 035	-3 191	-5 013
Earnings per share (kr)	neg.	neg.	neg.	neg.	neg.
Earnings per share after full dilution (kr)	neg.	neg.	neg.	neg.	neg.
Cash at the end of the period (tkr)	38 715	15 729	38 715	15 729	13 145
Equity (tkr)	72 709	40 452	72 709	40 452	38 469
Equity per share (kr)	3,72	2,58	3,72	2,58	2,45
Equity per share after full dilution(kr)	3,71	2,58	3,71	2,58	2,45
Solidity	79%	96%	79%	96%	90%
Number of shares, average (thousands)	19 521	15 151	17 217	12 114	13 092
Number of shares, end of period (thousands)	19 521	15 675	19 521	15 675	15 675
Number of shares after full dilution (thousands)	19 595	15 675	19 595	15 675	15 675



## Income Statement - Parent Company

SEK thousands	Q3 Mar22 - May22	Q3 Mar21 - May21	Period Sep21 - May22	Period Sep20 - May21	Full year Sep20 - Aug21
Net revenue	644	0	946	0	0
Other operating income	602	0	799	11	11
Cost of goods sold	-256	0	-296	0	0
Other external expenses	-1 682	-962	-4 527	-1 392	-2 468
Personnel expenses	-1 830	-1 069	-5 131	-1 641	-2 645
Depreciation and amortization	-40	0	-53	0	0
Other operating expenses	-423	-25	-1 256	-25	-29
<b>Operating result / EBIT</b>	<b>-2 985</b>	<b>-2 056</b>	<b>-9 518</b>	<b>-3 047</b>	<b>-5 131</b>
Financial net	15	-27	47	-27	-28
<b>Result before tax</b>	<b>-2 970</b>	<b>-2 083</b>	<b>-9 471</b>	<b>-3 074</b>	<b>-5 159</b>
Tax	0	0	0	0	0
<b>Result for the period</b>	<b>-2 970</b>	<b>-2 083</b>	<b>-9 471</b>	<b>-3 074</b>	<b>-5 159</b>

## Balance Sheet - Parent Company

SEK thousands	31 May 2022	31 May 2021	31 Aug 2021
<b>Assets</b>			
<b>Fixed Assets</b>			
Intangible fixed assets	46 589	20 450	23 086
Financial fixed assets	4 000	4 000	4 000
<b>Total Fixed Assets</b>	<b>50 589</b>	<b>24 450</b>	<b>27 086</b>
<b>Current Assets</b>			
Inventory	488	0	0
Receivables from group companies	2 132	1 538	1 992
Other receivables	948	927	1 115
Cash and bank balances	37 189	14 850	11 847
<b>Total Current Assets</b>	<b>40 757</b>	<b>17 315</b>	<b>14 954</b>
<b>Total Assets</b>	<b>91 346</b>	<b>41 765</b>	<b>42 040</b>
<b>Equity and Liabilities</b>			
Equity	74 570	40 971	38 887
<b>Liabilities</b>			
Long-term Liabilities	12 227	0	0
Short-term Liabilities	4 549	794	3 153
<b>Total Liabilities</b>	<b>16 776</b>	<b>794</b>	<b>3 153</b>
<b>Total Equity and Liabilities</b>	<b>91 346</b>	<b>41 765</b>	<b>42 040</b>

### Financial calendar

Year-end report June 2022 – August 2022	13 Oct 2022
Annual Report 2021-2022	14 Dec 2022
Interim report September 2022 – November 2022	11 Jan 2023
Annual General Meeting	11 Jan 2023

### Certified Adviser

Västra Hamnen Corporate Finance is the Company's Certified Adviser on Nasdaq First North and can be reached at ca@vhcorp.se or +46 (0) 40 200 250.

### For more information, contact

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*This information is information that Newbury Pharmaceuticals is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 6 July 2022, 08.00 CET.*